

WELLINGTON UNIFIED SCHOOL DISTRICT NUMBER 353

**FINANCIAL STATEMENTS
AND
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

June 30, 2014

Wellington Unified School District Number 353

FINANCIAL STATEMENTS
For the Year Ended June 30, 2014

TABLE OF CONTENTS

	<u>STATEMENT</u>	<u>PAGE</u>
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS		1
FINANCIAL STATEMENT		
SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH	1	4
NOTES TO FINANCIAL STATEMENTS		6
REGULATORY BASIS - SUPPLEMENTAL INFORMATION	<u>SCHEDULE</u>	<u>PAGE</u>
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET	1	14
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES ACTUAL AND BUDGET		
GENERAL FUNDS	2-A	16
SUPPLEMENTAL GENERAL	2-B	19
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES ACTUAL AND BUDGET		
AT RISK 4 YEAR OLD	2 - C	22
AT RISK (K-12)	2 - D	23
CAPITAL OUTLAY	2 - E	24
DRIVER TRAINING	2 - F	25
FOOD SERVICE	2 - G	26
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND	2 - H	27
SPECIAL EDUCATION	2 - I	28
VOCATIONAL EDUCATION	2 - J	30
BOND AND INTEREST	2 - K	31
RECREATION COMMISSION GENERAL FUND	2 - L	32
RECREATION COMMISSION EMPLOYEE BENEFIT FUND	2 - M	33

Wellington Unified School District Number 353

**FINANCIAL STATEMENTS
For the Year Ended June 30, 2014**

TABLE OF CONTENTS

		<u>PAGE</u>
SUPPLEMENTAL GENERAL FUNDS		
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL		
TEXTBOOK AND STUDENT MATERIAL REVOLVING	2 - N	34
CONTINGENCY RESERVE	2 - O	35
FEDERAL FUNDS	2 - P	36
LOCAL GRANTS	2 - Q	38
TRUST FUND	2 - R	39
CAPITAL PROJECTS FUND	2 - S	40
AGENCY FUNDS		
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS	3	41
DISTRICT ACTIVITY FUNDS		
SCHEDULE OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH	4	44
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS		48
NOTES TO SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS		49
SPECIAL REPORTS		
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>		53
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133		55
SCHEDULE OF FINDINGS AND QUESTIONED COSTS		57
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS		59

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Education
Unified School District Number 353
Wellington, Kansas

Report on Financial Statements

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District Number 353 (Municipality Only) of Wellington, Kansas, as of and for the year ended June 30, 2014 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note C to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in these circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note C of the financial statement, the financial statement is prepared by Unified School District Number 353 of Wellington, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note C and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis of Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial



position of Unified School District Number 353 of Wellington, Kansas as of June 30, 2014, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Wellington Unified School District Number 353 of Wellington, Kansas as of June 30, 2014, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note C.

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditure-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and schedule of regulatory basis receipts and expenditures-agency funds, (Schedules 1, 2, and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The accompanying Schedule of Expenditures of Federal Awards is also presented for purposes of additional analysis as required by *U.S. Office of Management and Budget Circular A-133 Audits of States, Local Governments and Non-Profit Organizations* and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note C.

Prior Year Comparative

The 2013 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures - actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2014 basic financial statement upon which we have rendered an unmodified opinion dated November 19, 2014. The 2013 basic financial statement and our accompanying report are not presented herein, but available in electronic form from the website of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such 2013 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 basic financial statement. The 2013 comparative information was subjected to the auditing procedures applied in the audit of the 2013 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2013 basic financial statement or to the basic financial statement itself, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2013 comparative information is fairly stated in all material respects in relation to the 2013 basic financial statement as a whole, on the basis of accounting described in Note C.

Other reporting required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2014, on our consideration of Unified School District Number 353's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wellington Unified School District Number 353 of Wellington's internal control over financial reporting and compliance.

Agler & Gaeddert, Chartered

Agler & Gaeddert, Chartered
November 19, 2014

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Wellington Unified School District NO. 353

SUMMARY OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH AND INVESTMENTS
REGULATORY BASIS
For the Year Ended June 30, 2014

	Unencumbered Cash and Investment Balance (Deficit), June 30, 2013	Prior Year Cancelled Encumbrances
Governmental type funds		
General funds		
General	\$ 2,954	\$ 322
Supplemental general	162,784	9,125
Special purpose funds		
At risk (4 year old)	0	0
At risk (K-12)	13,353	6,500
Capital outlay	404,177	375
Contingency Reserve	338,255	0
Driver training	30,689	0
Food service	176,611	0
KPERS special retirement contribution fund	0	0
Special education	429,543	4,358
Vocational education	25,547	0
Textbook and student material revolving	50,329	0
Recreation Commission	37,737	0
Recreation Commission Employee Benefits	6,231	0
Federal Projects	48,948	1,165
Local Grants	75,567	0
District Activity Funds		
Gate receipts	23,150	0
School projects	53,384	0
Bond and Interest fund		
Bond and interest	1,520,348	0
Trust Funds		
Expendable Trust:		
Scholarships	124,191	0
Capital projects:		
Capital Projects - High School	560,244	0
Total reporting entity (excluding agency funds)	\$ 4,084,042	\$ 21,845

Composition of ending cash and investments

Demand deposits

Bank of Commerce	\$ 77,969
Impact Bank	231,595
Security State Bank	4,461,028
US Treasury Securities:	
Impact Bank (Custodial)	525,000

Time Deposits

Impact Bank	83,688
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The accompanying notes are an integral part of this statement

Statement 1

				Unencumbered Cash and Investment Balance (Deficit), June 30, 2014	Outstanding Encumbrances and Accounts Payable	Cash and Investment Balance (Deficit), June 30, 2014
Cash Receipts	Expenditures					
\$ 10,411,394	\$ 10,411,306	\$	3,364	\$	222,631	\$ 225,995
3,586,205	3,487,374		270,740		0	270,740
23,028	23,028		0		0	0
1,548,893	1,538,335		30,411		0	30,411
579,197	333,746		650,003		63,956	713,959
221,862	57,602		502,515		0	502,515
23,725	23,507		30,907		0	30,907
717,420	703,526		190,505		0	190,505
996,967	996,967		0		0	0
3,382,165	3,327,024		489,042		0	489,042
344,580	318,328		51,799		0	51,799
238,581	88,425		200,485		0	200,485
361,118	384,500		14,355		0	14,355
65,619	65,350		6,500		0	6,500
619,241	553,106		116,248		320	116,568
21,611	9,257		87,921		0	87,921
60,265	56,973		26,442		0	26,442
146,269	143,181		56,472		0	56,472
1,887,616	1,838,261		1,569,703		0	1,569,703
81,362	84,300		121,253		0	121,253
0	0		560,244		0	560,244
<u>\$ 25,317,118</u>	<u>\$ 24,444,096</u>	<u>\$</u>	<u>4,978,909</u>	<u>\$</u>	<u>286,907</u>	<u>\$ 5,265,816</u>

Composition of ending cash and investments - continued

Total cash and investments	5,379,280
Agency funds per Statement 4	<u>(113,464)</u>

Total Reporting Entity (Excluding Agency Funds) \$ 5,265,816

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

NOTE A. MUNICIPAL REPORTING ENTITY

Unified School District Number 353 is a municipal corporation governed by an elected seven-member board. This financial statement presents the Wellington Unified School District Number 353 (the municipality only).

Recreation Commission – The Recreation Commission oversees recreation activities. The Recreation Commission operates as a separate governing body, but the District levies the taxes for the Recreation Commission, and the Recreation Commission has only the powers granted by statute, K.S.A. 12-1928. The Recreation Commission cannot purchase real property, but can acquire real property by gift. The Recreation Commission is audited by other auditors and audited financial statements were not available for presentation with Wellington Unified School District Number 353 as a component unit.

NOTE B. REGULATORY BASIS TYPES OF FUNDS

The accounts of the District are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The District potential could have the following types of funds.

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in other funds.

Special Purpose Funds - used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specific purposes.

Bond and Interest Fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and used to make payments of general long-term debt.

Capital Project Fund - used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment

Agency Funds - funds used to report assets held by municipal reporting entity in purely a custodial capacity (payroll clearing fund, county treasurer tax collections accounts, etc.).

NOTE C: BASIS OF ACCOUNTING

Regulatory Basis of Accounting and departure from Accounting Principles Generally Accepted in the United States of America - The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligations against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt assignment to a fund, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than mentioned above.

Unified School District Number 353 of Wellington, Kansas has approved a resolution that it is in compliance with K.S.A. 75-1120a (c) waiving the requirement for application of generally accepted accounting principles and allowing the District to use the statutory basis of accounting.

NOTE D. BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

NOTE D. BUDGETARY INFORMATION - continued

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

Adjustment to Comply with Legal Max- Unified school districts should use this line item (for use in the budget column only) to adjust the certified budget to comply with the "Legal Max" Budget. the Kansas State Department of Education calculates the "Legal Max" budget using enrollment figures. The District's budgeted expenditures are limited to lower of the published budget or the "Legal Max" budget.

Adjustment for Qualifying Budget Credits -- Municipalities may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, gifts and donations, and receipts authorized by law to be spent as if they were reimbursed expenses.

All legal annual operating budgets are prepared using the regulatory basis of accounting in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for the following special purpose funds, capital project funds, business funds and trusts:

Contingency	State Grants Fund
Textbook and student material revolving	Gate Receipts Fund
Federal Projects Funds	School Projects Fund

Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing board.

NOTE E. DEPOSITS AND INVESTMENTS

Cash balances from all funds are combined and invested to the extent available in certificates of deposit and other authorized investments. Earnings from these investments are allocated to designated funds. All investments are stated at cost.

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the District or in an adjoining District if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the bank to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

NOTE E. DEPOSITS AND INVESTMENTS continued

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. Government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices. The District rates investments (if any) as noted.

Concentration of credit risk - State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The District's allocation of investments as of June 30, 2014, is as follows:

<u>Investments</u>	<u>Percent of Investments</u>
Federal Home Loan Bank	25%
Federal Home Loan Mortgage Corporation	11%
Federal National Mortgage Association	12%
Federal Farm Credit Bank	18%
United States Treasury Notes	21%

Custodial credit risk – deposits: Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. There were no designated "peak periods" during the year. At June 30, 2014, bank deposits were over secured by \$2,874,349.

At June 30, 2014, the carrying amount of the District's bank deposits was \$4,854,283 (which includes petty cash funds) and the bank balance was \$4,260,851. The bank balance was held by **three** banks reducing concentration risk. The difference between carrying amount and bank balance is outstanding checks and deposits. Of the bank balance, \$697,907 was covered by federal depository insurance, and \$3,562,944 was collateralized with securities held by the pledging financial institution's agents in the District's name.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments be adequately secured. The District had no such investments at year end.

NOTE F. IN-SUBSTANCE RECEIPT IN TRANSIT

The districted received \$814,024 subsequent to June 30, 2014 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2014.

NOTE G. LONG-TERM DEBT

Long-term obligations consisted of the following during the year:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date of Final Maturity</u>
General Obligation				
Series 2006	3.5% - 4.2%	4/1/2006	9,995,000	9/1/2026
Series 2007	3.65% - 4.0%	1/1/2007	9,735,000	9/1/2024
Series 2010	2.00%	4/1/2010	2,940,000	9/1/2014
Series 2011	3%-3.35%	9/1/2011	1,650,000	9/1/2026

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

NOTE G. LONG-TERM DEBT – continued

Changes in long-term liabilities for the Wellington Unified School District for the year ended June 30, 2014 were as follows:

	Balance July 1, 2013	Additions	Reductions/ Payments	Balance June 30, 2014	Interest Paid
General Obligation					
Series 2006	\$ 9,755,000	\$ 0	\$ 35,000	\$ 9,720,000	\$ 401,943
Series 2007	9,035,000	0	50,000	8,985,000	352,213
Series 2010	1,510,000	0	910,000	600,000	21,100
Series 2011	1,635,000	0	15,000	1,620,000	53,005
	<u>\$ 21,935,000</u>	<u>\$ 0</u>	<u>\$ 1,010,000</u>	<u>\$ 20,925,000</u>	<u>\$ 828,261</u>

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	General Obligation	
Year	Principal	Interest
2015	1,060,000	802,160
2016	1,150,000	764,113
2017	1,210,000	717,063
2018	1,280,000	669,556
2019	1,365,000	620,925
2020-2024	8,035,000	2,206,203
2025-2029	<u>6,825,000</u>	<u>449,870</u>
	<u>\$ 20,925,000</u>	<u>\$ 6,229,890</u>

Changes in long-term obligations, other than debt, for the year ended June 30, 2014, are as follows:

	Balance July 1, 2013	Net Change	Balance June 30, 2014
Compensated absences	<u>\$ 273,043</u>	<u>\$ (242,466)</u>	<u>\$ 30,577</u>

The District is subject to the municipal finance laws of the State of Kansas which limits the net bonded debt (exclusive of revenue bonds and special assessment bonds) the District may have outstanding to 14% of the assessed value of all tangible taxable property within the District, as certified to the County Clerk on the preceding August 25th. Additional authority may be granted by the Kansas State Board of Education. At June 30, 2014, the statutory limit for the District was \$9,077,326 thus creating an excess over the limit of \$11,847,674. The outstanding bond principal represents 32.27% of the District valuation. The District has permission from the Kansas State Board of Education to issue bonds in excess of its statutory limit.

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

NOTE H. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General	At-Risk (4 yr old)	K.S.A. 72-6428	\$ 23,028
General	Special Education	K.S.A. 72-6428	2,697,956
General	Vocational Education	K.S.A. 72-6433	202,824
General	Capital Outlay	K.S.A. 72-6428	199,738
General	At-Risk (K-12)	K.S.A. 72-6428	378,575
General	Contingency Reserve	K.S.A. 72-6428	205,240
Supplemental General	Textbook and Student	K.S.A. 72-6428	175,500
Supplemental General	Drivers Training	K.S.A. 72-6429	16,500
Supplemental General	Vocational Education	K.S.A. 72-6433	141,756
Supplemental General	At-Risk (K-12)	K.S.A. 72-6428	1,170,318
Supplemental General	Special Education	K.S.A. 72-6428	108,786
			<u>\$ 5,320,221</u>

NOTE I. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Post Employment Benefits: As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retiree's health insurance plan because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been qualified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Compensated Absences: Certified employees are provided 5 days of personal leave each school year. Classified full-time employees are provided 10 days paid vacation annually, after one full year of employment. All earned vacation time is to be taken from July 1 to June 30 of each fiscal year and cannot be accumulated. Hence, there is no estimated liability for accrued vacation pay at June 30, 2014. Certified employees are granted 11 days of leave per year with the ability to accumulate up to 120 days of sick leave if the days are not used in the current year. All classified employees shall accrue sick leave at a rate of one work day per month of active employment based on the number of hours normally worked. Personnel employed for more than nine months but less than twelve months shall accrue 10 days per year of sick leave. Sick leave may be accumulated up to 120 days for full time employees and 90 days for employees who do not work 12 months a year. Full time teachers who terminate or retire will not be paid for their unused sick leave. Full-time teachers who have served the district for five consecutive years are eligible to receive a severance payment upon leaving employment with Unified School District No. 353.

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

NOTE J: PENSION PLANS

Defined Benefit Pension Plan

Plan description - The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

Funding policy - K.S.A. 74-4919 and K.S.A. 74-4921 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is Tier 1 or Tier 2 member. The Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate of 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. K.S.A. 74-4975 establishes KP&F member-employee contribution rate of 7% of covered salary. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. Kansas law provides that employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates. The employer rate established for calendar year 2012 for KPERS is 7.34% and for KP&F is 16.54%.

Flexible Benefit Plan (I.R.C. Section 125)

The Board adopted by resolution a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Code. All employees of the District who work 17.5 hours per week in a school year position or .45 FTE are eligible to participate in the Plan beginning the first of the month following 30 days of employment. Each participant may elect to reduce his or her salary by an elected amount per month, or have a specific amount deducted, to purchase benefits offered through the Plan. Currently, benefits offered through the Plan include insurance coverage, medical reimbursement, and dependent care reimbursement.

NOTE K. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Settlement of claims has not exceeded commercial insurance coverage in any of the last three fiscal years.

NOTE L. OTHER INFORMATION

Reimbursed Expenses: The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursement as revenue in the same fund. For purposes of budgetary comparisons, the reimbursements are shown as adjustments for qualifying budget credits

Contingencies: The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the District at June 30, 2014.

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

NOTE L. OTHER INFORMATION - continued

Ad valorem tax revenues: The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser annually determines assessed valuations and the County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county. In accordance with Kansas statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. One-half of the property taxes are due December 20th, prior to the fiscal year for which they are budgeted and the second half is due the following May 10th. This procedure eliminates the need to issue tax anticipation notes since funds will be on hand prior to the beginning of each fiscal year. The District Treasurer draws down all available funds from the County Treasurer's office in two-month intervals.

Comparative Prior Year Amounts: The 2013 actual amounts presented in the financial statements have been taken from the audit report for the year ended June 30, 2013 and are presented for comparative purposes only. Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

NOTE M. SUBSEQUENT EVENTS

Subsequent Events: The District evaluated subsequent events through November 19, 2014, the date the financial statements were available to be issued. Subsequent to the year end, the district passed a bond resolution. The General Obligation Bonds Series 2014 are dated August 1, 2014 due September 1, 2034 for \$11,785,000. No other subsequent events were identified which require disclosure.

REGULATORY BASIS SUPPLEMENTARY INFORMATION

Wellington Unified School District NO. 353

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
(Budgeted Funds Only)
For the Year Ended June 30, 2014

	<u>Certified Budget</u>	<u>Adjustment To Comply With Legal Max *</u>
Governmental type funds		
General funds		
General	\$ 10,600,556	\$ (244,864)
Supplemental general	3,487,374	0
Special purpose funds		
At risk 4 yr old	24,947	0
At risk (K-12)	1,602,253	0
Capital outlay	837,793	0
Driver training	34,800	0
Food service	1,015,405	0
KPERS special retirement contribution fund	1,047,364	0
Special education	3,358,600	0
Vocational education	369,400	0
Recreation Commission	384,500	0
Recreation Commission Employee Benefits	65,350	0
Bond and Interest funds		
Bond and interest	1,838,261	0

* See definitions at Note D.

Schedule 1

<u>Adjustment for</u> <u>Qualifying</u> <u>Budget Credits *</u>	<u>Total</u> <u>Budget For</u> <u>Comparison</u>	<u>Expenditures</u> <u>Chargeable to</u> <u>Current Year</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>
\$ 55,614	\$ 10,411,306	\$ 10,411,306	\$ 0
0	3,487,374	3,487,374	0
0	24,947	23,028	(1,919)
0	1,602,253	1,538,335	(63,918)
0	837,793	333,746	(504,047)
0	34,800	23,507	(11,293)
0	1,015,405	703,526	(311,879)
0	1,047,364	996,967	(50,397)
0	3,358,600	3,327,024	(31,576)
0	369,400	318,328	(51,072)
0	384,500	384,500	0
0	65,350	65,350	0
0	1,838,261	1,838,261	0

Wellington Unified School District NO. 353

Schedule 2 - A

GENERAL FUNDS
GENERAL

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

		2014		
	2013			Variance
	Actual	Actual	Budget	Over
				(Under)
Cash receipts				
Local sources				
Ad valorem tax	\$ 998,287	\$ 1,053,144	\$ 959,112	\$ 94,032
Delinquent tax	34,959	17,691	28,131	(10,440)
Reimbursements	45,367	55,614	0	55,614
State sources				
Motor Vehicle Tax	21	86	0	86
Mineral production tax	3,626	4,689	0	4,689
General State Aid	7,188,225	7,109,407	7,332,432	(223,025)
Special education aid	2,129,665	2,170,763	2,278,480	(107,717)
Total cash receipts	<u>10,400,150</u>	<u>10,411,394</u>	<u>\$ 10,598,155</u>	<u>\$ (186,761)</u>
Expenditures				
Instruction				
Salaries				
Certified	2,566,384	2,070,136	\$ 3,344,506	\$ (1,274,370)
Non-Certified	41,759	37,049	41,800	(4,751)
Employee Benefits				0
Insurance	501,895	382,047	502	381,545
Social Security	309,769	300,361	31,000	269,361
Other	0	22,985	0	22,985
Purchased Professional & Technical Services	790	0	0	0
Other Purchased Services				
Other	144	964	2,000	(1,036)
Supplies				
General Supplemental Teaching	42,013	11,258	35,000	(23,742)
Textbooks	0	0	0	0
Miscellaneous	916	335	2,000	(1,665)
Property	80	0	0	0
Student support services				
Salaries				0
Certified	58,115	63,001	55,000	8,001
Employee Benefits				
Insurance	4,131	144,331	0	144,331
Social Security	0	0	4,200	(4,200)
Purchased Professional & Technical Services	40,337	27,075	33,000	(5,925)
Other Purchased Services	2,045	17,697	5,000	12,697
Supplies	1,802	540	1,500	(960)
Property	1,805	2,078	1,500	578

Wellington Unified School District NO. 353

Schedule 2 - AGENERAL FUNDS
GENERALSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2014				Variance Over (Under)
	2013 Actual	Actual	Budget		
Expenditures (Continued)					
Instructional Support Staff					
Salaries					
Certified	\$ 66,393	\$ 60,530	\$ 67,000	\$	(6,470)
Non-Certified	78,419	73,938	80,000		(6,062)
Employee Benefits					
Social Security	10,599	9,937	10,600		(663)
Other	0	1,421	0		1,421
Supplies					
Books and Periodicals	4,160	6,472	4,200		2,272
General Administration					
Salaries					
Certified	178,167	212,960	180,000		32,960
Employee Benefits					
Insurance	49,493	18,600	50,000		(31,400)
Social Security	12,826	15,229	12,850		2,379
Purchased Professional & Technical Services	43,993	68,353	50,000		18,353
Other Purchased Services					
Communications	8,177	6,238	8,500		(2,262)
Other	5,147	3,734	5,200		(1,466)
Supplies	848	3,424	1,000		2,424
Property	140	904	0		904
Other	1,096	482	1,100		(618)
School Administration					
Salaries					
Certified	488,508	455,420	488,900		(33,480)
Non-Certified	202,296	182,357	200,000		(17,643)
Employee Benefits					
Insurance	66,810	33,481	30,000		3,481
Social Security	48,904	45,477	49,000		(3,523)
Other	12,529	2,613	11,000		(8,387)
Purchased Professional & Technical Services	3,269	9,363	1,000		8,363
Other Purchased Services					
Communications	8,375	8,887	8,500		387
Other	329	714	0		714
Supplies	11,933	7,724	10,500		(2,776)
Property and Equipment	0	0	1,000		(1,000)
Other	223	0	0		0

Wellington Unified School District NO. 353

Schedule 2 - AGENERAL FUNDS
GENERALSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014		Variance Over (Under)
		Actual	Budget	
Expenditures (Continued)				
Operation and maintenance				
Salaries				
Non-Certified	\$ 378,490	\$ 391,731	\$ 380,000	\$ 11,731
Employee Benefits				
Insurance	9,009	59,872	8,100	51,772
Social Security	27,813	29,792	28,000	1,792
Other	0	1,731	21,000	(19,269)
Purchased Property Services				
Water/Sewer	47,585	42,791	50,000	(7,209)
Cleaning	10,366	26,530	12,000	14,530
Repairs & Maintenance	86,493	64,906	85,000	(20,094)
Repair of Buildings	37,828	6,612	35,000	(28,388)
Other	17,469	17,001	18,000	(999)
Other Purchased Services				
Insurance	177,496	200,453	188,000	12,453
Supplies				
General Supplies	115,986	48,282	117,000	(68,718)
Heating	95,203	121,890	96,000	25,890
Electricity	699,289	676,708	700,000	(23,292)
Motor Fuel	14,244	9,094	15,000	(5,906)
Miscellaneous Supplies	13,532	12,267	1,400	10,867
Property	806	326	1,000	(674)
Other	601	212	1,000	(788)
Vehicle operating services				
Contracting of Bus Service	277,322	252,497	280,000	(27,503)
Motor Fuel	47,813	45,398	55,000	(9,602)
Other	0	0	76,760	(76,760)
Other supplemental services				
Salaries				
Non-Certified	108,641	130,278	111,000	19,278
Employee Benefits				
Insurance	6,000	0	0	0
Social Security	7,588	9,544	7,700	1,844
Other	99,513	165,087	0	165,087
Purchased Property Services	7,498	7,800	0	7,800
Other Purchased Services	22,496	18,047	23,000	(4,953)
Property	170	182	1,000	(818)
Supplies	59,653	56,716	25,000	31,716
Other	136	83	1,000	(917)

Wellington Unified School District NO. 353

Schedule 2 - AGENERAL FUNDS
GENERALSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2014			Variance Over (Under)
	2013 Actual	Actual	Budget	
Expenditures (Continued)				
Transfers to:				
At Risk (4 yr old) Fund	\$ 24,947	\$ 23,028	\$ 24,947	\$ (1,919)
At Risk (K-12) Fund	389,307	378,575	888,734	(510,159)
Special Education Fund	2,367,707	2,697,956	2,278,480	419,476
Vocational Education Fund	61,686	202,824	144,077	58,747
Contingency Fund	297,220	205,240	0	205,240
Driver Training	12,000	0	0	0
Capital Outlay Fund	0	199,738	100,000	99,738
Transfer to Title II	670	0	0	0
Adjustments to comply with legal max	0	0	(244,864)	244,864
Legal general fund budget and expenditures	10,397,196	10,411,306	10,355,692	55,614
Adjustment for qualifying budget credits	0	0	55,614	55,614
Total expenditures	10,397,196	10,411,306	\$ 10,411,306	\$ 0
Receipts over (under) expenditures	2,954	88		
Unencumbered cash (deficit), July 1	0	2,954		
Cancelled prior year encumbrance	0	322		
Unencumbered cash (deficit), June 30	\$ 2,954	\$ 3,364		

Wellington Unified School District NO. 353

Schedule 2 - B

GENERAL FUNDS
SUPPLEMENTAL GENERAL

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Local sources				
Ad valorem tax	\$ 1,312,575	\$ 1,550,014	\$ 1,434,288	\$ 115,726
Delinquent tax	45,780	28,826	37,151	(8,325)
Motor vehicle tax	189,726	189,348	185,336	4,012
Recreational Vehicle Tax	1,799	2,051	1,797	254
Reimbursements	59,523	0	0	0
Other	4,526	147	0	147
State sources				
Supplemental aid	1,813,931	1,815,819	1,826,917	(11,098)
Total cash receipts	<u>3,427,860</u>	<u>3,586,205</u>	<u>\$ 3,485,489</u>	<u>\$ 100,716</u>
Expenditures				
Instruction				
Salaries				
Certified	1,282,057	1,466,482	\$ 1,650,000	\$ (183,518)
Employee Benefits				
Social Security	15,670	10,827	20,000	(9,173)
Supplies				
General Supplemental	110,615	106,525	111,000	(4,475)
Property	11,191	6,355	11,500	(5,145)
Student Support Services				
Salaries				
Certified	0	0	140,000	(140,000)
Employee Benefits				
Insurance	0	0	7,500	(7,500)
Purchased Professional & Tech.	0	0	2,000	(2,000)
Instruction Support Services				
Salaries				
Non-Certified	144,980	161,838	145,000	16,838
Employee Benefits				
Social Security	15,752	13,325	11,000	2,325
Supplies				
Technology Supplies	480,939	103,549	200,000	(96,451)
Miscellaneous Supplies	18,737	8,307	20,000	(11,693)
General Administration				
Purchased Professional & Tech.	982	660	1,000	(340)

Wellington Unified School District NO. 353

Schedule 2 - BGENERAL FUNDS
SUPPLEMENTAL GENERALSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014		Variance Over (Under)
		Actual	Budget	
Operations and Maintenance				
Supplies				
Heating	\$ 0	\$ (7,035)	\$ 0	\$ (7,035)
Other Purchased Services				
Insurance	533	3,681	0	3,681
Transfers to:				
Special Education Fund	287,118	108,786	200,000	(91,214)
Drivers Ed	0	16,500	0	16,500
Textbook & Student Materials	0	175,500	98,000	77,500
Vocational Education Fund	227,535	141,756	250,000	(108,244)
At Risk (K-12) Fund	951,890	1,170,318	700,166	470,152
Adjustment to comply with legal max	<u>0</u>	<u>0</u>	<u>(79,792)</u>	<u>79,792</u>
Legal supplemental general fund budget and expenditures	3,547,999	3,487,374	3,487,374	0
Adjustment for qualifying budget credits	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total expenditures	<u>3,547,999</u>	<u>3,487,374</u>	<u>\$ 3,487,374</u>	<u>\$ 0</u>
Receipts over (under) expenditures	(120,139)	98,831		
Unencumbered cash (deficit), July 1	282,923	162,784		
Cancelled prior year encumbrance	<u>0</u>	<u>9,125</u>		
Unencumbered cash (deficit), June 30	<u>\$ 162,784</u>	<u>\$ 270,740</u>		

Wellington Unified School District NO. 353

Schedule 2 - CSPECIAL PURPOSE FUNDS
AT RISK 4 YEAR OLDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Local Sources				
Miscellaneous	\$ 0	\$ 0	\$ 3,000	\$ (3,000)
Transfer from General Fund	24,947	23,028	24,947	(1,919)
Total cash receipts	24,947	23,028	\$ 27,947	\$ (4,919)
Expenditures				
Instruction				
Purchased Professional & Technical Services	24,947	23,028	\$ 24,947	\$ (1,919)
Other Supplemental Services				
Other	0	0	3,000	(3,000)
Total expenditures	24,947	23,028	\$ 27,947	\$ (4,919)
Receipts over (under) expenditures	0	0		
Unencumbered cash, July 1	0	0		
Unencumbered cash, June 30	\$ 0	\$ 0		

Wellington Unified School District NO. 353

Schedule 2 - DSPECIAL PURPOSE FUNDS
AT RISK (K-12)SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Other				
Transfer from General	\$ 389,307	\$ 378,575	\$ 888,734	\$ (510,159)
Transfer from Supplemental General Fund	951,890	1,170,318	700,166	470,152
Total cash receipts	<u>1,341,197</u>	<u>1,548,893</u>	<u>\$ 1,588,900</u>	<u>\$ (40,007)</u>
Expenditures				
Instruction				
Salaries				
Certified	1,331,402	1,387,545	\$ 1,369,953	\$ 17,592
Non-Certified	59,765	77,540	60,000	17,540
Employee Benefits				
Social Security	51,806	46,844	52,000	(5,156)
Purchased Professional & Technical Services	27,549	9,841	27,000	(17,159)
Other Purchased Services				
Tuition	51,821	2,835	52,000	(49,165)
Supplies				
Miscellaneous supplies	123	841	0	841
General Supplemental (Teaching)	788	0	0	0
Textbooks	0	0	2,000	(2,000)
Property	90	129	0	129
Operations and Maintenance				
Purchased Property Services				
Water/Sewer	269	256	300	(44)
Supplies				
Electricity	14,731	12,504	15,000	(2,496)
Other Supplemental Services				
Other	0	0	24,000	(24,000)
Total expenditures	<u>1,538,344</u>	<u>1,538,335</u>	<u>\$ 1,602,253</u>	<u>\$ (63,918)</u>
Receipts over (under) expenditures	(197,147)	10,558		
Unencumbered cash, July 1	210,500	13,353		
Cancelled prior year encumbrance	0	6,500		
Unencumbered cash, June 30	<u>\$ 13,353</u>	<u>\$ 30,411</u>		

Wellington Unified School District NO. 353

Schedule 2 - ESPECIAL PURPOSE FUNDS
CAPITAL OUTLAYSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Local sources				
Ad Valorem Property	\$ 286,513	\$ 300,999	\$ 279,084	\$ 21,915
Delinquent tax	8,843	7,003	8,099	(1,096)
Other	4,455	14,904	3,242	11,662
Motor Vehicle Tax	49,604	43,576	42,776	800
Recreational Vehicle Tax	469	466	415	51
Reimbursement	0	12,511	0	12,511
Other				
Transfers from General	0	199,738	100,000	99,738
Total cash receipts	<u>349,884</u>	<u>579,197</u>	<u>\$ 433,616</u>	<u>\$ 145,581</u>
Expenditures				
Instruction				
Property	1	5,907	\$ 400,000	\$ (394,093)
Student Support Services				
Property	3,875	13,996	0	13,996
Instructional Support Staff				
Property	11,854	0	0	0
Operation and maintenance				
Property	660	48,272	0	48,272
Facility acquisition and services				
Site Improvement	97,021	265,916	0	265,916
Land Improvements	0	(345)	437,793	(438,138)
Total expenditures	<u>113,411</u>	<u>333,746</u>	<u>\$ 837,793</u>	<u>\$ (504,047)</u>
Receipts over (under) expenditures	236,473	245,451		
Unencumbered cash, July 1	167,704	404,177		
Cancelled prior year encumbrance	0	375		
Unencumbered cash, June 30	<u>\$ 404,177</u>	<u>\$ 650,003</u>		

Wellington Unified School District NO. 353

Schedule 2 - FSPECIAL PURPOSE FUNDS
DRIVER TRAININGSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Local sources				
Other	\$ 12,738	\$ 0	\$ 0	\$ 0
State sources				
State safety aid	7,440	7,225	16,100	(8,875)
Transfers in				
Transfer from General Fund	12,000	0	0	0
Transfer from Supplemental General Fund	0	16,500	0	16,500
Total cash receipts	<u>32,178</u>	<u>23,725</u>	<u>\$ 16,100</u>	<u>\$ 7,625</u>
Expenditures				
Instruction				
Salaries				
Non Certified	\$ 15,411	\$ 16,407	\$ 26,000	\$ (9,593)
Employee Benefits				
Insurance	0	0	2,500	(2,500)
Social Security	1,179	1,238	0	1,238
Other	0	100	0	100
Purchased Professional & Technical Services	0	50	0	50
Supplies				
General supplemental (teaching)	753	1,358	0	1,358
Misc. Supplies	0	0	2,000	(2,000)
Vehicle operations, maintenance services				
Rental of Vehicles	702	1,368	3,300	(1,932)
Other	0	0	1,000	(1,000)
Other Purchased Services	2,572	2,986	0	2,986
Total expenditures	<u>20,617</u>	<u>23,507</u>	<u>\$ 34,800</u>	<u>\$ (11,293)</u>
Receipts over (under) expenditures	11,561	218		
Unencumbered cash, July 1	19,128	30,689		
Unencumbered cash, June 30	<u>\$ 30,689</u>	<u>\$ 30,907</u>		

Wellington Unified School District NO. 353

Schedule 2 - GSPECIAL PURPOSE FUNDS
FOOD SERVICESCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014		Variance Over (Under)
		Actual	Budget	
Cash receipts				
State Aid	\$ 7,699	\$ 6,088	\$ 9,330	\$ (3,242)
Federal Aid	479,059	491,828	490,036	1,792
Charges for Services				
Student Sales (Lunch)	205,799	182,447	286,642	(104,195)
Student Sales (Breakfast)	0	0	8,818	(8,818)
Student Sales (Snacks)	0	0	2,604	(2,604)
Adult and Student Sales	43,173	37,057	41,386	(4,329)
Total cash receipts	735,730	717,420	\$ 838,816	\$ (121,396)
Expenditures				
Operations and Maintenance				
Salaries				
Non - Certified	40,913	39,712	\$ 52,000	\$ (12,288)
Employee Benefits				
Social Security	2,725	2,481	3,000	(519)
Other	0	115	0	115
Purchased Property Services				
Other	14,192	12,830	15,000	(2,170)
Other Purchased Services	2,583	2,799	5,000	(2,201)
Supplies				
Motor Fuel	1,598	2,010	2,500	(490)
Property				
Other	45,605	33,583	150,000	(116,417)
Food Service operation				
Salaries				
Non - Certified	259,495	231,700	265,000	(33,300)
Employee Benefits				
Social Security	18,951	17,100	20,000	(2,900)
Other	0	869	0	869
Other Purchased Services				
Insurance	3,350	0	3,500	(3,500)
Supplies				
Food and Milk	316,276	322,119	389,405	(67,286)
Miscellaneous Supplies	38,385	25,155	50,000	(24,845)
Property	55,891	10,170	60,000	(49,830)
Other	5,298	2,883	0	2,883
Total expenditures	805,262	703,526	\$ 1,015,405	\$ (311,879)
Receipts over (under) expenditures	(69,532)	13,894		
Unencumbered cash, July 1	246,143	176,611		
Unencumbered cash, June 30	\$ 176,611	\$ 190,505		

Wellington Unified School District NO. 353

Schedule 2 - HSPECIAL PURPOSE FUNDS
KPERS SPECIAL RETIREMENT CONTRIBUTION FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014		Variance Over (Under)
		Actual	Budget	
Cash receipts				
State sources				
KPERS	\$ 902,900	\$ 996,967	\$ 1,047,364	\$ (50,397)
Expenditures				
Instruction				
Employee Benefits	811,527	717,915	\$ 754,102	\$ (36,187)
Student Support				
Employee Benefits	7,313	64,205	67,322	(3,117)
Instructional Support				
Employee Benefits	7,946	28,912	30,384	(1,472)
General Administration				
Employee Benefits	9,661	37,087	39,020	(1,933)
School Administration				
Employee Benefits	29,525	68,193	71,682	(3,489)
Other Supplemental Services				
Employee Benefits	23,746	42,770	11,550	31,220
Operations and Maintenance				
Employee Benefits	4,424	10,967	44,951	(33,984)
Food Service				
Employee Benefits	8,758	26,918	28,353	(1,435)
Total expenditures	902,900	996,967	\$ 1,047,364	\$ (50,397)
Receipts over (under) expenditures	0	0		
Unencumbered cash, July 1	0	0		
Unencumbered cash, June 30	\$ 0	\$ 0		

Wellington Unified School District NO. 353

Schedule 2 - ISPECIAL PURPOSE FUNDS
SPECIAL EDUCATIONSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Local Sources				
Interest on Idle Funds	\$ 40	\$ 0	\$ 0	0
Other	17,480	2,270	0	2,270
State Sources				
Deaf/Blind	0	3,710	0	3,710
Medicaid	96,717	141,942	0	141,942
Federal Sources				
Special Ed Aid	432,292	408,196	21,000	387,196
Regular Aid			450,000	(450,000)
Other Reserve Grants in Aid	18,068	18,059	95,000	(76,941)
Private school	2,196	1,246	0	1,246
Transfers				
Transfer from General	2,367,707	2,697,956	2,278,480	419,476
Transfer from Supplemental General	287,118	108,786	200,000	(91,214)
Total cash receipts	3,221,618	3,382,165	\$ 3,044,480	\$ 337,685
Expenditures				
Instruction				
Salaries				
Certified	850,682	913,640	\$ 950,000	\$ (36,360)
Non - Certified	890,229	940,043	900,000	40,043
Employee Benefits				
Social Security	123,841	133,441	130,000	3,441
Other	39,000	41,248	0	41,248
Purchased Professional and Technical Services	36,823	37,366	33,000	4,366
Other Purchased Services				
Tuition	451,942	497,200	180,000	317,200
Other	3,605	6,756	280,000	(273,244)
Supplies				
General Supplemental	30,006	27,687	38,000	(10,313)
Textbooks	215	0	0	0
Misc	0	9,571	0	9,571
Property	7,798	0	8,000	(8,000)
Student Support Services				
Salaries				
Certified	399,459	283,892	400,000	(116,108)
Non-Certified	14,857	22,338	15,000	7,338
Employee Benefits				
Social Security	29,397	26,301	24,000	2,301
Other	0	1,528	0	1,528

Wellington Unified School District NO. 353

Schedule 2 - ISPECIAL PURPOSE FUNDS
SPECIAL EDUCATIONSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014		Variance Over (Under)
		Actual	Budget	
Expenditures (Continued)				
Purchased Professional and Technical Services	\$ 0	\$ 0	\$ 2,500	\$ (2,500)
Property	0	0	1,600	(1,600)
General Administration				
Salaries				
Certified	159,582	130,648	160,000	(29,352)
Non - Certified	34,507	34,626	35,000	(374)
Employee Benefits				
Social Security	13,896	12,966	14,000	(1,034)
Other	0	1,263	0	1,263
Purchased Professional and Technical Services	4,030	0	5,000	(5,000)
Supplies	1,938	17,253	2,500	14,753
Equipment and Furnishings	1,502	2,885	0	2,885
Other	366	0	0	0
Student Transportation Services				
Purchased Property services	176,108	186,372	180,000	6,372
Supplies				
Motor Fuel	0	0	0	0
Total expenditures	<u>3,269,783</u>	<u>3,327,024</u>	<u>\$ 3,358,600</u>	<u>\$ (31,576)</u>
Receipts over (under) expenditures	(48,165)	55,141		
Unencumbered cash, July 1	477,708	429,543		
Cancelled prior year encumbrance	<u>0</u>	<u>4,358</u>		
Unencumbered cash, June 30	<u>\$ 429,543</u>	<u>\$ 489,042</u>		

Wellington Unified School District NO. 353

Schedule 2 -JSPECIAL PURPOSE FUNDS
VOCATIONAL EDUCATIONSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Other				
Miscellaneous	\$ 4,501	\$ 0	\$ 0	0
Transfer from General	61,686	202,824	144,077	58,747
Transfer from Supplemental General Fund	227,535	141,756	250,000	(108,244)
Total cash receipts	293,722	344,580	\$ 394,077	\$ (49,497)
Expenditures				
Instruction				
Salaries				
Certified	203,416	199,254	\$ 250,000	\$ (50,746)
Non - Certified	15,496	21,710	15,700	6,010
Employee Benefits				
Insurance	0	0	0	0
Social Security	21,267	21,567	22,000	(433)
Other	0	1,188	0	1,188
Other Purchased Services				
Tuition	96	0	0	0
Other	0	0	3,000	(3,000)
Supplies				
General Supplemental	20,773	14,932	21,000	(6,068)
Text Books	0	443	0	443
Misc Supplies	5,320	1,954	6,000	(4,046)
Property	6,396	3,724	10,000	(6,276)
Other	1,930	192	1,950	(1,758)
Instructional Support				
Salaries				
Certified	37,071	49,352	37,000	12,352
Employee Benefits				
Social Security	2,731	3,651	2,750	901
Other	0	361	0	361
Total expenditures	314,496	318,328	\$ 369,400	\$ (51,072)
Receipts over (under) expenditures	(20,774)	26,252		
Unencumbered cash, July 1	46,321	25,547		
Unencumbered cash, June 30	\$ 25,547	\$ 51,799		

Wellington Unified School District NO. 353

Schedule 2 - KBOND AND INTEREST FUND
BOND AND INTERESTSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Taxes and shared revenue:				
Ad valorem tax	\$ 835,749	\$ 767,669	\$ 702,425	\$ 65,244
Delinquent tax	35,860	20,070	23,571	(3,501)
Motor vehicle tax	131,721	116,148	116,909	(761)
Recreational Vehicle tax	1,397	1,353	1,134	219
Earnings on Investments	26,481	26,481	0	26,481
State Aid	891,704	955,895	955,896	(1)
Total cash receipts	<u>1,922,912</u>	<u>1,887,616</u>	<u>\$ 1,799,935</u>	<u>\$ 87,681</u>
Expenditures				
Principal	970,000	1,010,000	\$ 1,010,000	\$ 0
Interest	<u>849,805</u>	<u>828,261</u>	<u>828,261</u>	<u>0</u>
Total expenditures	<u>1,819,805</u>	<u>1,838,261</u>	<u>\$ 1,838,261</u>	<u>\$ 0</u>
Receipts over (under) expenditures	103,107	49,355		
Unencumbered cash, July 1	<u>1,417,241</u>	<u>1,520,348</u>		
Unencumbered cash, June 30	<u>\$ 1,520,348</u>	<u>\$ 1,569,703</u>		

Wellington Unified School District NO. 353

Schedule 2 -L

SPECIAL PURPOSE FUNDS
RECREATION COMMISSION GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	2013 Actual	2014		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and shared revenue				
Ad valorem property	\$ 312,215	\$ 310,136	\$ 278,786	\$ 31,350
Delinquent tax	11,197	6,993	8,090	(1,097)
Other Local Sources	0	0	37,737	(37,737)
Motor Vehicle tax	46,836	40,632	42,736	(2,104)
Recreational Vehicle tax	489	3,357	415	2,942
Total Cash Receipts	<u>370,737</u>	<u>361,118</u>	<u>\$ 367,764</u>	<u>\$ (6,646)</u>
Expenditures				
Community service operations	<u>333,000</u>	<u>384,500</u>	<u>\$ 384,500</u>	<u>\$ 0</u>
Receipts over (under) expenditures	37,737	(23,382)		
Unencumbered cash, July 1	<u>0</u>	<u>37,737</u>		
Unencumbered cash, June 30	<u>\$ 37,737</u>	<u>\$ 14,355</u>		

Wellington Unified School District NO. 353

Schedule 2 - M

SPECIAL PURPOSE FUNDS
RECREATION COMMISSION EMPLOYEE BENEFITS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

		<u>2014</u>		
	<u>2013</u>			<u>Variance</u>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
				<u>(Under)</u>
Cash Receipts				
Taxes and shared revenue				
Ad valorem property	\$ 60,291	\$ 55,778	\$ 50,087	\$ 5,691
Delinquent tax	2,152	1,348	1,562	(214)
Other revenue from local source	0	0	6,231	(6,231)
Motor Vehicle tax	9,056	8,403	8,252	151
Recreational Vehicle Tax	82	90	80	10
Total Cash Receipts	<u>71,581</u>	<u>65,619</u>	\$ <u>66,212</u>	\$ <u>(593)</u>
Expenditures				
Community service operations	<u>65,350</u>	<u>65,350</u>	\$ <u>65,350</u>	\$ <u>0</u>
Receipts over (under) expenditures	6,231	269		
Unencumbered cash, July 1	<u>0</u>	<u>6,231</u>		
Unencumbered cash, June 30	\$ <u>6,231</u>	\$ <u>6,500</u>		

Wellington Unified School District NO. 353

Schedule 2 - N

SPECIAL PURPOSE FUNDS
TEXTBOOK AND STUDENT MATERIAL REVOLVING - ACTUAL

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	<u>2013 Actual</u>	<u>2014 Actual</u>
Cash receipts		
Local sources		
Rental fees and books	\$ 62,705	\$ 63,081
Other		
Transfer from General	<u>0</u>	<u>175,500</u>
Total cash receipts	<u>62,705</u>	<u>238,581</u>
Expenditures		
Instruction		
Supplies		
Textbooks	103,062	36,651
Support services		
Miscellaneous supplies		
Other material and supplies	<u>11,779</u>	<u>51,774</u>
Total expenditures	<u>114,841</u>	<u>88,425</u>
Receipts over (under) expenditures	(52,136)	150,156
Unencumbered cash, July 1	102,465	50,329
Cancelled prior year encumbrance	<u>0</u>	<u>0</u>
Unencumbered cash, June 30	<u><u>\$ 50,329</u></u>	<u><u>\$ 200,485</u></u>

Wellington Unified School District NO. 353

Schedule 2 - O

SPECIAL PURPOSE FUNDS
CONTINGENCY RESERVE

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	<u>2013 Actual</u>	<u>2014 Actual</u>
Cash receipts		
Other		
Transfer from General	\$ <u>297,221</u>	\$ <u>221,862</u>
Expenditures		
Operations & Maintenance		
Repair of Buildings	<u>65,455</u>	<u>57,602</u>
Receipts over (under) expenditures	231,766	164,260
Unencumbered cash, July 1	<u>106,489</u>	<u>338,255</u>
Unencumbered cash, June 30	<u>\$ 338,255</u>	<u>\$ 502,515</u>

Wellington Unified School District NO. 353

SPECIAL PURPOSE FUNDS
FEDERAL GRANTS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	<u>Title I</u>	<u>Carl Perkins Grant</u>	<u>Title II Teacher Quality</u>
Cash Receipts			
Federal Aid	\$ 350,888	\$ 27,965	\$ 62,613
Other	0	0	0
Transfers from General	0	0	0
Total Cash Receipts	<u>350,888</u>	<u>27,965</u>	<u>62,613</u>
Expenditures			
Instruction			
Salaries			
Certified	322,174	0	720
Employee Benefits			
Social Security	19,723	0	1,200
Purchased Professional and			
Technical Services	4,099	5,931	15,385
Other Purchased Services	0	4,253	0
Supplies			
General Supplemental	1,052	0	3,032
Other	0	0	0
Support Services			
Salaries			
Certified	0	2,105	0
Purchased Professional and			
Technical Services	0	0	0
Other Purchased Services	0	4,640	0
Other	890	2,906	0
Property	0	0	22,683
Food Service			
Other	0	0	0
Total Expenditures	<u>347,938</u>	<u>19,835</u>	<u>43,020</u>
Receipts over (under) Expenditures	2,950	8,130	19,593
Unencumbered cash (deficit), July 1	23,108	19,390	6,450
Cancelled prior year encumbrance	90	0	1,075
Unencumbered cash, June 30	\$ <u>26,148</u>	\$ <u>27,520</u>	\$ <u>27,118</u>

Schedule 2 - P

<u>21st Century Grant</u>	<u>Totals June 30, 2014</u>	<u>Totals June 30, 2013</u>
\$ 151,471	\$ 592,937	\$ 439,908
26,304	26,304	45,314
0	0	1,450
<u>177,775</u>	<u>619,241</u>	<u>486,672</u>
72,359	395,253	374,219
4,926	25,849	27,087
0	25,415	39,197
3,438	7,691	666
16,958	21,042	28,514
28	28	0
0	2,105	4,403
4,213	4,213	0
353	4,993	8,400
0	3,796	3,692
0	22,683	2,739
<u>40,038</u>	<u>40,038</u>	<u>0</u>
<u>142,313</u>	<u>553,106</u>	<u>488,917</u>
35,462	66,135	(2,245)
0	48,948	51,193
0	1,165	0
<u>\$ 35,462</u>	<u>\$ 116,248</u>	<u>\$ 48,948</u>

Wellington Unified School District NO. 353**Schedule 2 - Q****SPECIAL PURPOSE FUNDS
LOCAL GRANTS****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended June 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)**

	<u>2013 Actual</u>	<u>2014 Actual</u>
Cash Receipts		
Other	\$ 7,593	\$ 21,611
Expenditures		
Instruction		
Salaries		
Certified	13,428	8,655
Employee Benefits		
Social Security	304	0
Other Purchased Services	141	602
Supplies		
General Supplemental	<u>120</u>	<u>0</u>
Total Expenditures	<u>13,993</u>	<u>9,257</u>
Receipts over (under) expenditures	(6,400)	12,354
Unencumbered cash (deficit) ,July 1	81,967	75,566
Cancelled prior year encumbrance	<u>0</u>	<u>0</u>
Unencumbered cash, June 30	<u><u>75,567</u></u>	<u><u>87,920</u></u>

Wellington Unified School District NO. 353**Schedule 2 - R****TRUST FUND
EXPENDABLE SCHOLARSHIPS****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the Year Ended June 30, 2014

(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

	<u>2013</u>	<u>2014</u>
	<u>Actual</u>	<u>Actual</u>
Cash receipts		
Contributions and interest income	\$ 62,808	\$ 81,362
Expenditures		
Scholarships awarded	<u>83,452</u>	<u>84,300</u>
Receipts over (under) expenditures	(20,644)	(2,938)
Unencumbered cash, July 1	<u>144,835</u>	<u>124,191</u>
Unencumbered cash, June 30	<u>\$ 124,191</u>	<u>\$ 121,253</u>

Wellington Unified School District NO. 353

Schedule 2 - S

**CAPITAL PROJECTS FUND
CAPITAL PROJECTS - HIGH SCHOOL**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended June 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)**

	2013 Actual	2014 Actual
Unencumbered cash, July 1	\$ <u>560,244</u>	\$ <u>560,244</u>
Unencumbered cash, June 30	\$ <u><u>560,244</u></u>	\$ <u><u>560,244</u></u>

Wellington Unified School District NO. 353

Schedule 3AGENCY FUNDS
STUDENT ORGANIZATION ACCOUNTSSCHEDULE OF RECEIPTS, EXPENDITURES AND CASH BALANCES
REGULATORY BASIS

For the Year Ended June 30, 2014

<u>Fund</u>	<u>Cash Balance June 30, 2013</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Cash Balance June 30, 2014</u>
Student Organization Accounts				
High School				
Band Club	\$ 549	\$ 1,179	\$ 1,356	\$ 372
B.P.A. Club	4,488	6,372	8,102	2,758
Cheerleading	1,128	17,654	18,357	425
Circle of Friends	117	640	662	95
Crimson Dancers	407	0	0	407
Crusader Creator	1,335	455	244	1,546
Crusader Way	1,693	761	1,175	1,279
Drug Testing	4,130	0	0	4,130
Expanded Skills	31	0	0	31
FCA	3,570	3,370	5,207	1,733
FCCLA	457	1,090	1,172	375
FFA Club	466	31,824	26,550	5,740
FFA - Equine Program	922	8,752	408	9,266
FFA - National Convention	615	1,440	2,055	0
FFA - Plant Sale	3,370	3,048	5,569	849
Honor Society	1,283	1,581	1,698	1,166
Industrial Technology Projects	0	1,281	1,281	0
Junior Class	341	6,333	6,295	379
Key Club	4,458	0	0	4,458
Leadership	335	4,458	2,284	2,509
Library Club	1,242	54	0	1,296
MD (O'Bryan)	695	0	360	335
SADD	728	1,602	1,533	797
SAVE	407	483	450	440
Renaissance	226	88	314	0
Scoreboard Advertising	7,103	3,075	6,501	3,677
Special Ed Club	337	0	0	337
Speech Club	1,364	9,093	9,018	1,439
Sports Calendars	3,411	7,817	8,809	2,419
Sports Fundraiser	13,199	31,622	30,270	14,551
Student Assistant	15	0	0	15
Student Council	9,849	10,939	10,509	10,279
Vocal Music Club	298	1,056	1,330	24
WHS Newspaper	170	0	0	170
Yearbook Club	5,318	8,967	8,392	5,893
Total Wellington High School	74,057	165,034	159,901	79,190

Wellington Unified School District NO. 353

Statement 3AGENCY FUNDS
STUDENT ORGANIZATION ACCOUNTSSCHEDULE OF RECEIPTS, EXPENDITURES AND CASH BALANCES
REGULATORY BASIS

For the Year Ended June 30, 2014

<u>Fund</u>	<u>Cash Balance June 30, 2013</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Cash Balance June 30, 2014</u>
Student Organization Funds:				
Junior High School:				
After School Club	\$ 856	\$ 6,122	\$ 5,511	\$ 1,467
Annual Club	4,654	3,798	2,940	5,512
Art Club	671	0	0	671
Basketball Club	58	0	55	3
Book Fair	298	1,056	771	583
Cheerleaders	592	9,557	9,400	749
Circle of Friends	1,094	4,848	5,353	589
Fellowship of C	398	2,085	2,378	105
French Club	655	0	0	655
Fund Raiser Club	12,108	15,387	13,540	13,955
Jersey Club	4	5,069	4,993	80
K.A.Y. Club	1,666	0	0	1,666
Library Club	2,668	1,078	50	3,696
Music Club	261	675	616	320
Pennies for Pat	0	890	890	0
Spelling Bee	71	602	458	215
Student Council Club	922	612	743	791
Football Club	0	1,705	837	868
Track Club	0	78	0	78
ASP - Snack	0	3,877	1,739	2,138
Volleyball Club	0	2,802	2,776	26
Wrestling Club	107	0	0	107
Total Wellington Junior High	<u>27,083</u>	<u>60,241</u>	<u>53,050</u>	<u>34,274</u>
Total Student Organization Funds \$	<u>101,140</u>	<u>225,275</u>	<u>212,951</u>	<u>113,464</u>

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Wellington Unified School District NO. 353

DISTRICT ACTIVITY FUNDS

**SCHEDULE OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended June 30, 2014**

	Unencumbered Cash Balance June 30, 2013.	Prior Year Cancelled Encumbrances
Gate receipts		
Wellington High School Athletics	\$ 1,341	\$ 0
Wellington Junior High School Athletics	21,809	0
	<hr/>	<hr/>
Subtotal Gate Receipts	23,150	0
	<hr/>	<hr/>
School projects		
Wellington High School		
ACT Test Prep	50	0
Building Rental	9,110	0
Incentives	12,655	0
Parking Permits	3,753	0
Positive Behavior	8	0
PSAT/NMSQT	0	0
Returned Check	230	0
Wellington Junior High School		
Interest	266	0
Vendor Club	4,866	0
Wellington Lincoln Elementary		
Activities	4,818	0
Wellington Washington Elementary		
Activities	7,227	0
Wellington Kennedy Elementary		
Activities	6,564	0
Wellington Eisenhower Elementary		
Activities	854	0
	<hr/>	<hr/>
Subtotal School Projects	50,401	0
	<hr/>	<hr/>
User Fees		
Wellington High School		
Computer Graphics	0	0
Graphic Arts	0	0
Misc Income	147	0
Student Class F	0	0
Student Overpay	418	0
WHS Student	0	0
Wellington Junior High School		
6th Technology	33	0
7th Technology	21	0
8th Technology	9	0
Agenda	345	0
Art	144	0
Band fees	84	0
Book rental	1,282	0
Drivers education	0	0
FACS	172	0

Schedule 4

<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Unencumbered Cash Balance June 30, 2014</u>	<u>Outstanding Encumbrances and Accounts Payable</u>	<u>Cash Balance June 30, 2014</u>
\$ 47,220	45,404	\$ 3,157	\$ 0	\$ 3,157
13,045	11,569	23,285	0	23,285
<u>60,265</u>	<u>56,973</u>	<u>26,442</u>	<u>0</u>	<u>26,442</u>
350	360	40	0	40
4,286	2,382	11,014	0	11,014
25,091	27,211	10,535	0	10,535
0	0	3,753	0	3,753
0	0	8	0	8
0	0	0	0	0
158	158	230	0	230
105	0	371	0	371
1,932	1,820	4,978	0	4,978
7,105	7,512	4,411	0	4,411
17,232	14,611	9,848	0	9,848
9,989	9,240	7,313	0	7,313
<u>6,814</u>	<u>7,586</u>	<u>82</u>	<u>0</u>	<u>82</u>
<u>73,062</u>	<u>70,880</u>	<u>52,583</u>	<u>0</u>	<u>52,583</u>
1,908	1,908	0	0	0
318	318	0	0	0
309	220	236	0	236
15,443	15,443	0	0	0
614	0	1,032	0	1,032
17,946	17,946	0	0	0
115	130	18	0	18
101	90	32	0	32
51	50	10	0	10
1,200	1,250	295	0	295
795	802	137	0	137
348	384	48	0	48
8,927	8,828	1,381	0	1,381
12,300	12,300	0	0	0
872	882	162	0	162

Wellington Unified School District NO. 353

DISTRICT ACTIVITY FUNDS

**SCHEDULE OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended June 30, 2014**

	Unencumbered Cash Balance June 30, 2013	Prior Year Cancelled Encumbrances
User Fees		
Wellington Junior High School- continued		
Lockers	\$ 126	\$ 0
Physical ed tow	156	0
Vocal fees	36	0
Total User Fees	2,973	0
Sales Tax		
Wellington High School Sales Tax	10	0
Wellington Junior High School Sales Tax	0	0
Total Sales Tax	10	0
Total district activity funds	\$ 76,534	\$ 0

Schedule 4

<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Unencumbered Cash Balance June 30, 2014</u>	<u>Outstanding Encumbrances and Accounts Payable</u>	<u>Cash Balance June 30, 2014</u>
\$ 767	\$ 773	\$ 120	\$ 0	\$ 120
930	938	148	0	148
92	85	43	0	43
<u>63,036</u>	<u>62,347</u>	<u>3,662</u>	<u>0</u>	<u>3,662</u>
		3,662		
8,496	8,470	36	0	36
1,675	1,484	191	0	191
<u>10,171</u>	<u>9,954</u>	<u>227</u>	<u>0</u>	<u>227</u>
<u>\$ 206,534</u>	<u>\$ 200,154</u>	<u>\$ 82,914</u>	<u>\$ 0</u>	<u>\$ 82,914</u>

Wellington Unified School District No. 353

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REGULATORY BASIS
(Budgeted Funds Only)
For the Year Ended June 30, 2014

<u>Federal Grantor/ Pass-through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Revenues</u>	<u>Expenditures</u>
<u>U.S. Department of Education</u>			
<u>Passed-through Kansas Department of Education</u>			
Title I - Low Income	84.010	\$ 350,888	\$ 347,939
Title VI EHC-Flo-Through	84.027	377,735	377,735
Title VI EHC-Flow-Through Disc	84.027	31,416	31,416
Vocational Education	84.048	27,965	19,833
Title VI EHC-Flo-Through Preschool	84.173	18,350	18,350
Title IV - 21st Century Community	84.287	107,367	102,276
Title II A - Improving Teacher Quality	84.367	62,688	43,020
Total U.S. Department of Education		976,409	940,569
<u>U.S. Department of Agriculture</u>			
<u>Passed-through Kansas Department of Education</u>			
School Breakfast Program	10.553	85,053	85,053
National School Lunch Program	10.555	401,701	401,701
Child and Adult Care Food Program	10.558	44,104	40,035
Team Nutrition	10.574	3,835	3,835
Total U.S. Department of Agriculture		534,693	530,624
Total Revenue and Expenditures of Federal Awards		\$ 1,511,102	\$ 1,471,193

Wellington Unified School District Number 353

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the year ended June 30, 2014

NOTE A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of Wellington Unified School District Number 353 under programs of the federal government for the year ended June 30, 2014. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a select portion of the operations of Wellington Unified School District Number 353, it is not intended to and does not present the summary of receipts, expenditures and unencumbered cash of Wellington Unified School District Number 353.

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the regulatory basis of accounting as described in the *Kansas Municipal Audit and Accounting Guide* (KMAAG). The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligations against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt assignment to a fund, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than mentioned above. Expenditures as reported on the Schedule are recognized under the basis described above and follow the cost principles contained in OMB Circular regarding *Cost Principles* wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available. Expenditures reported in the Schedule of Expenditures of Federal Awards are reported based upon the Kansas Municipal Audit and Accounting Guide.

NOTE C. SUBRECIPIENTS

Wellington Unified School District Number 353 did not provide federal awards to any sub-recipient for the year ended June 30, 2014.

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SPECIAL REPORTS

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Education
Wellington Unified School District Number 353
Wellington, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Wellington Unified School District Number 353 as of and for the year ended June 30, 2014, and the related notes to the financial statements, which comprise the District's regulatory basis financial statements, and have issued our report thereon dated November 19, 2014. The District prepares its financial statements on a regulatory basis of accounting which demonstrates compliance with *Kansas Municipal Audit and Accounting Guide*, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal controls) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing our opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did not identify any deficiencies in internal control that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is intended solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Agler & Gaeddert, Chartered

November 19, 2014
Emporia, Kansas

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Education
Wellington Unified School District Number 353
Wellington, Kansas

Report on Compliance for Each Major Federal Program

We have audited Wellington Unified School District Number 353's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2014. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Basis for Qualified Opinion on Child Nutrition and Special Education

As described in the Findings 2014-001 in the accompanying schedule of findings and questioned cost, Wellington Unified School District Number 353 did not comply with requirements regarding the following:

Finding #	CFDA #	Program (or Cluster) Name	Compliance Requirement
2014-001	10.553 and 10.555	Child Nutrition	Eligibility

Qualified Opinion on Child Nutrition and Special Education

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, Wellington Unified School District Number 353, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Child Nutrition for the year ended June 30, 2014.

Report Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with *OMB-Circular A-133*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly we do not express an opinion on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We do not consider the findings listed in the schedule of findings and questioned costs to be material weaknesses.

A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2014-001, to be significant deficiencies.

Unified School District Number 353 response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Unified School District Number 353 response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based upon requirements of *OMB Circular A-133*. Accordingly, this report is not suitable for any other purpose.

Agler & Snedden, Chartered

November 19, 2014
Emporia, Kansas

Wellington Unified School District No. 353

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
REGULATORY BASIS
For the Year Ended June 30, 2014

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued Unqualified

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiencies identified not considered to be material weaknesses: No

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weaknesses identified? No

Significant deficiencies identified not considered to be material weaknesses: Yes

Type of auditor's report issued on compliance for major programs: Qualified

Any audit findings disclosed that are required to be reported in accordance with
OMB Circular A-133, section.510(a)? Yes

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>	<u>Amount</u>	<u>Federal Agency</u>	<u>State Agency</u>
84.027	Title VI EHC-Flo-Through	377,735	Dept of Education	Dept of Education
84.027	Title VI EHC-Flo-Through Disc	31,416	Dept of Education	Dept of Education
84.173	Title VI EHC-Flo-Through Preschool	18,350	Dept of Education	Dept of Education
10.553	School Breakfast Program	85,053	Dept of Agriculture	Dept of Education
10.555	National School Lunch Prog.	401,701	Dept of Agriculture	Dept of Education

Dollar threshold used to distinguish between Type A and Type B programs \$300,000

Auditee qualified as a low-risk auditee? No

Wellington Unified School District No. 353

SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2014

<u>ITEM</u>	<u>FINDING</u>	<u>QUESTIONED COSTS</u>
2014-001 FOOD SERVICE AID CFDA #10.553 and #10.555		Undetermined
CONDITION:		
Our test of eligibility for Food Service Aid programs noted that in certain recipient files the eligibility for free or reduced lunches, there were students receiving free or reduced lunches that did not qualify.		
CRITERIA:		
Every student that receives free or reduced lunches must meet family income guidelines to qualify.		
CAUSE:		
Income qualifications and missing applications resulted in seven (7) students whose free and reduced status were incorrect.		
EFFECT:		
As a result of the above, our test results found that out of forty (40) files tested, there were seven (7) files that contained errors as to the proper price reduction for meals.		
RECOMMENDATION:		
Make sure every student that qualifies for Food Service Aid is receiving the correct price reduction.		
RESPONSE:		
Available training both within the district and outside the district regarding eligibility and maintenance of documentation for Food Service Aid programs will be attended by district staff with these responsibilities. The district will be responsible for clearing out the prior year data before the current year information is entered. The district will consider having someone from the district office review the files by comparing the contracts to what is in the computer after all the new contracts are entered.		

Wellington Unified School District No. 353

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2014

<u>ITEM</u>	<u>FINDING</u>	<u>QUESTIONED COSTS</u>
2013-1 TITLE VI CFDA #84.027 and #84.173		Undetermined
CONDITION:	Our test of eligibility for Title VI Special Education Programs noted that in certain recipient files, the quarterly IEP monitoring was not occurring.	
CRITERIA:	Every student in the Special Education program is required to have quarterly IEP monitoring.	
CAUSE:	The student in question had been a student in the Special Education program for some time and was a Junior who was nearing graduation.	
EFFECT:	As a result of the above, our testing results found that out of 40 files tested, one (1) file did not have quarterly IEP monitoring.	
FOLLOW UP:	The program was tested again in 2014 as a major program and no deficiencies in internal control over the major program was noted.	

Wellington Unified School District No. 353

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2014

<u>ITEM</u>	<u>FINDING</u>	<u>QUESTIONED COSTS</u>
2013-2 FOOD SERVICE AID CFDA #10.553, #10.555,		Undetermined
CONDITION:	Our test of eligibility for Food Service Aid programs noted that in certain recipient files the eligibility for free or reduced lunches, there were students receiving free or reduced lunches that did not qualify.	
CRITERIA:	Every student that receives free or reduced lunches must meet family income guidelines to qualify.	
CAUSE:	Income qualifications and missing applications resulted in four (4) students whose free and reduced status were incorrect.	
EFFECT:	As a result of the above, our test results found that out of forty (40) files tested, there were four (4) files that contained errors as to the proper price reduction for meals.	
FOLLOW UP:	This program was tested as major again in 2014. See current year Schedule of Findings and Questioned Costs.	